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Town of Isola
Compiled Financial Statements
September 30, 2019

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Town of Isola, Mississippi

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Johnson Accounting Services
119 Greenridge Drive
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**SPECIAL REPORT ON AGREED UPON
PROCEDURES FOR SMALL MUNICIPALITIES (TOWNS)**

(Compliance Letter)

Honorable Mayor and Board of Aldermen
Town of Isola
Isola, Mississippi 38754

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Isola, Mississippi, as of September 30, 2019, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Isola, Mississippi and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

1. We reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Funds</u>	<u>Balance per General Ledger</u>
Bank Plus:	General Fund	
General Fund Operating		\$42,568.44
General Clearing		<u>2,064.97</u>
Total General Fund		<u>\$44,633.41</u>
 Bank Plus:	 Special Revenue Fund	
Fire Department		<u>\$22,490.83</u>
Total Special Revenue Fund		<u>\$22,490.83</u>
 Bank Plus:	 Proprietary Fund	
Sewer Revenue Fund		<u>\$17,846.74</u>
Total Proprietary Fund		<u>\$17,846.74</u>

2. No securities were held for investments.

3. We performed the following procedures with respect to taxes and personal property (including motor vehicles) levied during the fiscal year.

- a. Trace levies to governing body minutes;
- b. Traced distribution of taxes collected to proper funds; and
- c. Analyzed increase in taxes for most recent period for completion with Increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to General Fund and Fire Fund were found to be in accordance with prescribed tax levies.

Current year and prior years' General Property Taxes were collected by Humphreys County Tax Collector and remitted to the town on a monthly basis. Prior Years' General Property Taxes were also collected by the Town Clerk.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

4. The Town did not retire or issue general obligation debt or revenue bonds.
5. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts. All payments were recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Sales Tax Allocation	General Fund	\$22,454
General Municipal Aid	General Fund	355
Gasoline Tax	General Fund	2,184
Homestead Exemption	General Fund	15,233
Grand Gulf	General Fund	3,850
Municipal Fire Protection	Fire Fund	4,208
Department of Health	General Fund	<u>3,125</u>
	Total	<u>\$51,409</u>

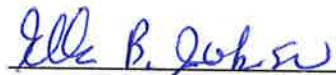
6. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Mississippi Code Ann. (1972), if applicable. The sample consisted of the following:

Number of Sample Items	13
Total Dollar Value of Sample	\$13,599.12

We found the municipality's purchasing procedures to be in agreement with the requirements of the above- mentioned sections.

7. Fines and forfeitures were not collected.
8. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements:
 - a. The municipal clerk did not submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item. (Section 21-35-13)

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that items specified in Paragraph 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Isola, Mississippi, for the year ended September 30, 2019.


Ella B. Johnson, Public Accountant
Madison, MS 39110
September 1, 2020

**Johnson's Accounting Service
Public Accountant
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Governing Body
Town of Isola, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements (Governmental & Business Type Activities) as of and for the Fiscal Year Ended September 30, 2019.



Ella B. Johnson, Public Accountant

September 8, 2020

TOWN OF ISOLA, MISSISSIPPI
STATEMENT OF CASH RECEIPTS and DISBURSEMENTS
GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES
AS OF AND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Governmental Activities			Business-Type Activities	
	General	Other		Water &	
	<u>Fund</u>	<u>Funds</u>	<u>Total</u>	<u>Fund</u>	<u>Total</u>
RECEIPTS					
Taxes					
General Property Taxes	110,158	932	111,090		
Licenses & Permits	935		935		
Franchise Charges-Utilities	15,972		15,972		
Intergovernmental revenues:					
General Municipal Aid	356		356		
State shared revenues:					
Homestead Exempt. Reimburse.	15,233		15,233		
Sales Tax Allocation	22,454		22,454		
Gasoline Tax	2,184		2,184		
Grand Gulf Nuclear Plant	3,850		3,850		
Fire Protection Allocation		4,208	4,208		
Grant Income					
Department of Health	3,125		3,125		
Entergy Grant	-		-		
Land Redemption	3,040		3,040		
Donations	1,000		1,000		
Other Revenue	255		255		
Charges for Services:					
Water, Sewer & Garbage				172,825	172,825
Water Deposits				200	200
TOTAL RECEIPTS	178,562	5,140	183,702	173,025	173,025

DISBURSEMENTS

General Government

General Administration			-		
Salaries & Employee Benefits	67,482		67,482		
Unemployment Benefits	743		743		
Supplies	5,805		5,805		
Legal	7,150		7,150	650	650
Contractual	13,784		13,784	2,555	2,555
Other Services and Charges	25,357		25,357		
Debt Service - Interest	-		-	167	167

TOWN OF ISOLA, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Fiscal Year Ended September 30, 2019

DEFINITION AND PURPOSE

Combined Waterworks & Sewer Sys Revenue Bond	Balance	<u>Transactions During Fiscal Year</u>		Balance
	Outstanding <u>October 1, 2018</u>	<u>Issued</u>	<u>Redeemed</u>	Outstanding <u>September 30, 2019</u>
10393402	5,619		254	5,365
10393403	\$ 26,097	-	79	26,018
TOTAL	\$ 31,716	-	333	\$ 31,383

TOWN OF ISOLA, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2019

<u>NAME</u>	<u>POSITION</u>	<u>COMPANY</u>	<u>AMOUNT</u>
Dimp Powell	Mayor	Travelers	\$ 50,000
Irene Parker	Clerk	Travelers	\$ 50,000
Lawrence Anderson	Alderman	Travelers	\$ 50,000
Lekeita Wade	Alderwoman	Travelers	\$ 50,000
Dora Hooker	Alderwoman	Travelers	\$ 50,000
Linda Faye Jones	Alderwoman	Travelers	\$ 50,000
Kenneth Jackson Toler	Alderman	Travelers	\$ 50,000

JOHNSON ACCOUNTING SERVICE
Ella B. Johnson, Public Accountant
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**REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

To the Mayor and the Board of Aldermen
Town of Isola, Mississippi 38754

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Isola, Mississippi, for the year ended September 30, 2019, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. According, we do not express such an opinion.

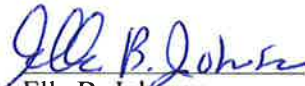
With respect to items tested, the results of those procedures and my compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials of the Town of Isola, Mississippi, for the year ended September 30, 2019 disclosed the following material instances of noncompliance with state laws and regulations. Our finding and recommendation and your response are as follows:

Finding: The municipal clerk did not submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item. (Section 21-35-13)

Recommendation: The municipality work on corrected actions to comply with the Section listed above.

Response: The Town Clerk will work with computer software company to provide necessary training and assistance to generate this report.

This report is intended solely for the information and use of management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


Ella B. Johnson,
Public Accountant
September 1, 2020

